



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

October 15, 2009

Peter Brown, Quality Manager
Leica Geosystems, Inc. dba Surveyors Service Company
2942 Century Place
Costa Mesa, CA 92626

Dear Mr. Brown:

**RE: Final MONITORING VISIT REPORT for LEICA GEOSYSTEMS ACQUISITION, INC. DBA
SURVEYORS SERVICE COMPANY RETRAINING SB - ET08-0271**

Date of the Visit:	7/07/09
Beginning/Ending Time:	1:00pm – 3:00pm
Date of Last Visit:	8/6/08
Visit Location:	Costa Mesa
Persons in attendance:	Pete Brown, Quality Manager, Leica Geosystems Acquisition, Inc (Leica) dba Surveyors Service Company (SSC); and Suzanne Godin, Contract Specialist, Employment Training Panel.
Action Items remaining from Prior Meeting:	Yes – Attendance Rosters / Tracking – See Page 2
Action Required:	No

CONTRACT INFORMATION:

Term of Agreement:	11/19/07 – 11/18/09	Agreement Amount:	\$46,800
Training Start Date:	12/17/07	No. to Retain:	30
Date Training must be Completed:	8/18/09	Range of Hours:	8-60
Type of Trainee:	Retrainee	Weighted Ave. Hours:	60

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FINAL REPORT SUMMARY:

AGREEMENT HISTORY

The SSC agreement was approved as a Small Business Project at the November 2007 Panel Meeting and was executed on 11/30/07. Training began on 12/17/07. ETP approved one amendment revision to extend the Agreement term by 12 months. You reported that all training was completed on 4/10/09 which allowed for the 90-day retention period to be completed within the term ending date of the Agreement.

INTERVIEW WITH THE CONTRACT REPRESENTATIVE: PETER BROWN

You stated that balancing the needs of production and training was far more difficult than anticipated. Several factors contributed to poor performance on the ETP Agreement. In February 2008, Leica Geosystems Acquisition, Inc. (a newly formed entity) purchased certain assets of SSC; assumed all of its business operations; and began operating with former SSC staff as Leica Geosystems Acquisition dba Surveyors Service Company. You stated that the buy-out and transition period resulted in a seven month period where no training was delivered. Leica's business needs differed from SSC's; and although the new organization chose to assume liability for SSC's ETP Agreement, formal class/lab training was no longer a top priority. Shortly after the acquisition was completed, the national economy worsened and orders for goods decreased. Your sales personnel scrambled to meet monthly quotas and the company had to cut its workforce force; consolidate territories; and reduce employee salaries by 10%. The sum total of these circumstances contributed to the delivery of fewer training hours to a smaller group of trainees than originally planned.

In spite of these challenges, you stated that the ETP-funded training that was delivered provided valuable skill sets in some of your newest product offerings. Technicians and sales staff received an overview and training in the set-up, calibration, configuration, and maintenance of the Leica handheld global positioning/information system devices. Primarily used by surveyors, these devices allow measurement input from the field to a network server where the measurements are calculated and mapped.

ACTION ITEMS RESOLVED FROM PREVIOUS VISIT:

The following action items were cited at the previous visit:

1. Several attendance rosters were missing trainer signatures. The contract analyst was able to obtain third party verification that the training was conducted in the manner claimed by interviewing both the in-house trainer and two trainees who attended the multiple day classes. You obtained trainer signatures on the rosters in question and forwarded PDF copies to your contract analyst. Your analyst signed off on these rosters during the final visit.
2. In-house trainers had not been consistent in recording training hours or signing attendance rosters. Subsequent to the last monitoring visit, you held a meeting with all in-house trainers to review ETP record keeping requirements and demonstrated the correct way to complete an ETP attendance roster.
3. None of the training hours had been entered into the on-line tracking system. All training hours were entered onto ETP's tracking system and you have made it a priority to enter training hours after each session.

PROJECT STATUS PROVIDED BY THE CONTRACTOR:

Trainees Started Training:	8	Completed Training:	8
Trainees Enrolled:	8	Completed Retention:	8
Dropped Following Enrollment:	0	In Retention Period:	0
No. Completed Minimum Reimbursable Hours :	8		

The statistical data submitted by SSC project staff during this visit, as detailed above, agreed with ETP's Trainee Status Report as of the date of this report.

DISCUSSION OF PROJECTED EARNINGS:

You stated that the statistics on the class/lab tracking system were correct which showed that 8 trainees (26% of planned retentions) completed the specified range of class/lab hours (8-60) and retention period. SSC tracked 198 eligible hours on the ETP class/lab tracking system for the aforementioned 8 trainees. Therefore, SSC is eligible to earn \$4,356 (9.3 percent of the encumbered amount) if all other agreement conditions are met. **Ms. Godin advised you that the closeout invoice should be submitted no later than 30 days after the end term of date of the Agreement, which would be 12/18/09.** As of the date of this report, SSC had not submitted any invoices for payment.

ATTENDANCE ROSTERS:

Ms. Godin conducted a 100% review of attendance rosters for the 8 enrolled trainees for the dates listed below and compared them to the hours entered into the ETP on-line tracking system.

Attendance Rosters reviewed:	12/17/07-4/10/09	Rosters reviewed contained all the required information per Title 22, California Code of Regulations, Section 4442.	YES
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SUBAGREEMENTS:

SSC performed all project administration and all class/lab training was delivered by in-house trainers.

INVOICES:

No invoices had been submitted as of the date of this report.

AUDIT:

You will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk audit (or "review"). These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically

examined during an audit will be included along with the Audit Notification and Audit Confirmation letters. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable.

Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION:

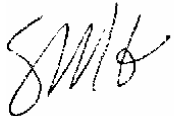
Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding this report, please contact Suzanne Godin at (619) 686-1918 or at sgodin@etp.ca.gov within ten (10) working days from the receipt date of this letter.

Sincerely,



Diana Torres, Manager
San Diego Regional Office



Suzanne Godin, Contract Analyst
San Diego Field Office

cc: Kulbir Mayall, Fiscal Manager
Master File
Project File